UC-NRLF
B 3 228 501

LIBRARY
OF THE
UNIVERSITY OF CALIFORNIA.
GIFT OF
Pres. Horace Davis.
Received Aug. , 1889.
Accessions No. 39244 Shelf No.

*Compliments of the Author*

***PLEASE READ AND CIRCULATE.***

# REPLY TO

# AUGUSTUS MONGREDIEN'S APPEAL

TO THE

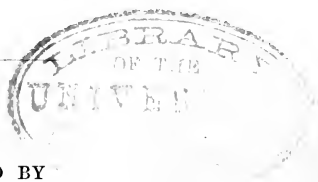
## WESTERN FARMER OF AMERICA.

SHOWING THE PROSPERITY OF AMERICA UNDER PROTECTION AND THE DECLINE OF ENGLAND UNDER HER SO-CALLED FREE-TRADE SYSTEM.

BY

HON. THOMAS H. DUDLEY.

(LATE UNITED STATES CONSUL AT LIVERPOOL.)




PRINTED BY

J. B. LIPPINCOTT & CO., PHILADELPHIA.

1880.

Digitized by the Internet Archive
in 2007 with funding from
Microsoft Corporation

http://www.archive.org/details/replytoaugustusm00dudlrich

# REPLY TO

# AUGUSTUS MONGREDIEN'S APPEAL

TO THE

## WESTERN FARMER OF AMERICA.

---

To Augustus Mongredien, Esq.:

Sir,—I visited Europe some few weeks ago, and a day or two before I left, your pamphlet, issued under the auspices of the "Cobden Club," and addressed to the Western Farmers of America, was placed in my hands. I was aware that great efforts were to be made by the English people to repeal our Tariff system, and in this way break down our manufacturers, but I did not suppose that England, or the "Cobden Club," would openly make an attempt to control our elections, even to accomplish this object; but it seems I was mistaken, and it is reserved for you to make an open attempt, the first I have seen. It is a bold move on your part, but the stake you are playing for is an important one for England, and I suppose you think the end justifies the means. The first and primary object of your book is to show the farmers in the United States how badly they are treated by their own Government; how grossly they are robbed and swindled, and in this way to prepare them or induce them to vote at the elections for certain candidates with the view of redressing these wrongs and grievances, but in reality to break down the manufacturers and transfer the business of this country to England. This is your object. If you

can poison their minds sufficiently to induce them to vote as you propose, you will accomplish this end.

After reading the copy placed in my hands, I made this endorsement on its back: "I have never been more pained in "reading any book than this one, at the reckless and extrava- "gant statements, and the apparent deliberate and premedi- "tated attempt to misrepresent and deceive. It is a one- "sided and pettifogging argument, unworthy of any one who "pretends to be a man of science, or a searcher after truth, and "I am astonished that the Cobden Club should have lent itself "to sanction or disseminate such a pamphlet."

I propose now to examine your book and compare it with the facts, after which I shall leave it for others to judge as to the correctness of my criticism. You state that the census of 1870 shows 5,922,000 persons engaged in agriculture, and you take this for your basis, and assume that from this there must now be not less than seven millions of persons so engaged, "*nearly all of them having wives and children;*" and then you ask what are the annual expenditures on all articles of consumption, except food and drink, of each of these "*families,*" and you fix the annual expenditures for each of their "*families*" at two hundred dollars. You then, after computing the number of persons so engaged to be *seven millions, nearly all of whom have families,* and assuming two hundred dollars per annum as the amount expended by each of such persons so engaged as have families, proceed and multiply the whole of the seven millions by the two hundred dollars, without making a single exception for those who have no families; charging every man, woman, and child—those who have no families as well as those who have families, those who earn no wages as well as those who earn wages, those who are infants as well as those of more mature years—with consuming or using annually two hundred dollars' worth of products, besides their food and drink. Now, by the census of 1870 there were only 2,659,985 farms in the

whole country, and very nearly half a million of these were under twenty acres. According to your calculation there must have been a little less than three farmers with their families running each farm in the United States. You ought to have mentioned this fact, for I am quite sure our farmers were not aware of it. They generally think they run their own farms, and it would have been quite as new and astonishing to them as most of the other things in your book. You found by our census in 1870 there were 5,922,471 persons engaged in agricultural pursuits. Do you not think it would have been just as well for you, and more just to your readers, to have told them that of this number there were 396,968 females, nearly all in the Southern States, and colored women, who, in the days of slavery, had been compelled to work as field-hands, and that there were 739,164 children under fifteen years of age, not one-tenth of whom, including the women, probably ever earned so much as one hundred dollars in a year, and the average wages of the other nine-tenths probably would not amount to fifty dollars a year? This, of course, would have spoiled your figuring a little, but it would have been more just to your readers. But then you could not have made the large show so necessary for your purpose; hence you take the whole number, men, women, and children, work-hands as well as farmers, those without families as well as those with families; women and children; those who do not earn fifty dollars a year, and who never had so much as two hundred dollars in their lives; as well as those who only worked for their bread without wages, and then add one million more of the same kind, and call it seven millions of farmers with families; then multiply it by two hundred dollars, and subtract from this four hundred millions of dollars which, you assert, have been wrongfully taken from the farmers,—robbed or stolen from them, and then wasted and thrown away without doing any good to anybody. Having taken a look at your figures, and seen on what

basis you rest your book, we will take another step in its examination.

1. You state that the Western farmer neither receives nor seeks any legislative protection;

2. That the farmer in America sells in the cheapest and buys in the dearest markets, and for what he raises he gets a lower price and for what he consumes he pays a higher price than the land-tillers get and pay in any other country in the world;

3. That by reason of our Tariff laws the farmers have to pay the manufacturers in Eastern States four hundred millions of dollars every year more than they would have to pay the English people for the same goods if they were permitted to buy them in England and import them free of duty; that for what they now have to pay one hundred and forty dollars they could buy of a Britisher for one hundred dollars, and that this vast sum of money, to wit, four hundred millions of dollars, year after year, is unnecessarily and wantonly thrown away and wasted, without the least benefit to anybody. You make all these statements without reservation or exception, unless it be some sixty millions of dollars which possibly may go to the legitimate purpose of National Revenue.

Are these statements true or are they false? We have seen that there is no reliance on your figures or statements so far as the number of our farmers and the four hundred millions of dollars are concerned.

Let us now examine these last statements and see how much truth there is in them, and first that "the Western farmer neither receives nor seeks any legislative protection;" and if the Western farmer gets no protection then the Eastern farmer gets none, for there is no discrimination between one farmer and another.

You are good enough to give us your definition of a farmer, and what you mean when you use the term: "the producer of "all articles derived from the cultivation of the soil, whether

"grain or cotton, meat or tobacco." Now, if the farmer receives protection whether he asks for it or not, your statement is untrue. Is it possible that you were so ignorant of the subject you pretend to write about, or were the facts concealed on purpose to misrepresent and deceive?

You admit that rice is protected to ninety-three per cent.; the duty is two and a half cents per pound on cleaned rice, and two cents on the uncleaned article, and is imposed especially to protect the rice-growers in the South.

The duty on wheat is twenty cents per bushel; Indian corn or maize, ten cents per bushel; oats, ten cents per bushel; rye, fifteen cents per bushel; barley, fifteen cents per bushel; butter, four cents per pound; cheese, four cents per pound; potatoes, fifteen cents per bushel; poultry, ten per cent. on value; peas, from ten to twenty per cent.; beans, from ten to twenty per cent.; tobacco-leaf, unmanufactured, thirty-five cents per pound; on stemmed and manufactured, fifty cents, in addition to a revenue duty of twenty-four cents per pound; sugar, from two to five cents per pound, to protect sugar-growers in the South; on all animals, horses, cows, bulls, oxen, steers, calves, sheep, lambs, goats, hogs, and pigs, except for breeding purposes, twenty per cent.; those for breeding purposes are admitted free to benefit the farmers; beef and pork, one cent per pound; mutton, ten per cent.; wool, from ten to twelve cents per pound, and from ten to twelve per cent. added; hay, twenty per cent.

These duties are one and all protective, and were imposed on purpose to protect the farmers, those in the West as well as those in the East; to keep the home market, where ninety-two per cent. of all they produce is consumed, exclusively for their benefit, free from competition. But for this protection Canadian, and other farmers, would now be supplying the Eastern manufacturers, competing with our farmers in their home market. No persons have ever been more clamorous for protection

than the wool-growers in the West and the sugar-growers in the South, and they have both for years had it, and still have it. There is no interest in the country more thoroughly protected than the farming interest. I am not now considering whether this protection to our farmers is wise or unwise; the question I am examining, and the only one, is whether your statements are true or false as to our Western farmers receiving no protection under our Tariff system. It is for you to answer whether your statement was made through ignorance or on purpose to deceive your readers.

And now as to your assertion "that the farmer in America "sells in the cheapest market and buys in the dearest market, "and for what he raises he gets a lower price and for what he "consumes he pays a higher price than the land-tillers get and "pay in any other country of the world," I observe that there is not a fact or figure given in your book to sustain or prove this. It is a mere assertion made by you (and I am sorry to say by other Englishmen), yet made with assurance and apparent candor, as though it were true, and in such a way as to convey the idea that our Government, by its laws, was actually interfering in these matters and prescribing the places where they must and where they must not buy and sell. Now, if intended in this sense, nothing is more untrue. Our Government does not interfere, either directly or indirectly, in any way or manner, but leaves the farmer free to select his own market, and allows him to sell wherever he likes and buy wherever he pleases without let or hindrance, and the facts and figures, when referred to, will show your statements to be untrue.

Now, first as to the markets in which he sells: I do not suppose you will claim that the English market is a cheap market for breadstuffs or food. Last year, 1879, we sold you 75,931 oxen and bulls, 1351 horses, 118,000 sheep and lambs, 15,984 hogs, 4,504,279 hundred-weight of bacon and hams, 559,730 hundred-weight of beef, 444,118 hundred-weight of

preserved meats, 301,054 hundred-weight of butter, 1,214,959 hundred-weight of cheese, 74,675,295 hundred-weight of corn, grain, and meal, over 9,600,000 hundred-weight of cotton, 734,904 bushels of fruit, 108,306 hundred-weight of hops, over 28,000,000 pounds of tobacco, and 178,876 tons of oil-seed cake, besides lard, tallow, preserved fruits, and preserved meats; while at the same time we were sending our agricultural products, some of them, to the markets of France, Germany, Spain, Holland, Italy, Austria, and Russia, indeed to almost every country in the world. It will therefore be seen that the American farmer sells his products not in the cheap, but in the dear markets of the world; in the markets where he can get the highest and best price; and, as a rule, our products, whether corn or cotton, are of as good a quality and command as high a price in foreign markets as the products of any other country. So much for the markets where the farmer sells.

Now as to the market where he buys. Is your assertion, that for what he consumes he pays more than the land-tiller in any other country, true or false? In other words, could our farmers buy what they consume so much cheaper in England than they can in America? for it is this that you, and all other Englishmen who hold your views, are asserting. Let us see how much more truth there is in this than there is in the most of your other statements.

As to food, including breadstuffs, meat, butter, cheese, lard, eggs, poultry, fruits, potatoes, and other vegetables, you seem to concede that they are cheaper here than they are in England, therefore that they cost less, and you leave them out. But you take other articles, principally manufactured commodities, and you rest your case upon these. You are careful not to mention tea and coffee, both of which are extensively used by the families of our farmers, as well as all our people, and both of which are sold cheaper in our country than they

are in England. Tea is quite ten cents per pound cheaper in America, for the same grades, than it is in England. You are good enough to give us a list of some of the goods manufactured in the Eastern States which the Western farmer consumes, and for which you assert he pays forty dollars more on a hundred than he could buy them for in England if it was not for our terrible protective Tariff, which, you say, robs him out of four hundred millions of dollars every year. "They "include all woollen, cotton, linen, and silk fabrics, therefore "every species of clothing; iron and steel manufactures, in- "cluding iron-work, wire, cutlery, tools, farming implements, "and agricultural machinery; leather fabrics, boots, shoes, "saddlery, gloves, etc.; earthenware, crockery, glass, and other "household necessaries." On all these articles you assert in the most positive manner, and without the least reservation, qualification, or exception, that the Western farmer could buy for one hundred dollars the articles which he has now to pay one hundred and forty dollars for, if he could but make the purchases in England and import them free of duty. It is not contended that the destruction of our manufactures in the States would make the goods cheaper in England than they are now. You yourself do not pretend this. Your contention, in substance, is that these goods are now selling for forty per cent. cheaper in England than similar kinds and quantities can be bought for in the States. Being in England at the time this pamphlet was placed in my hands, and having had some knowledge and experience in your prices and mode of doing business from my residence of eleven years among you, I set myself at work to ascertain the. retail price of some of these commodities, in order to compare them with the price at the retail stores in America. I took the retail price because the farmer generally buys at retail stores. You seem to ignore the Eastern and Southern farmers, and address yourself to the Western farmer alone. Now, of the textile fabrics consumed

or used by our farmers, East, West, North, and South, none are so much used as cotton fabrics. They serve, and are generally used, for all underwear, including hosiery, both for males and females, for dresses of the female members and children of the family, ticking for their beds, the sheets in which they sleep, the cases on their pillows, and curtains in their rooms. Now, you tell us in your pamphlet that whenever articles are continuously imported into a country it is clear evidence that the ordinary prices of such goods in that country are higher than they are in the country from which they are imported. You say the continuous overflow of a tank, however slight, is clear evidence that it is full, and that it is not the quantity, but the fact of the import, however small, that shows the price to be lower in the country whence the goods are exported than they are in the country into which they are imported. Now, let us apply this test of yours to cotton goods. For the last five years we have been continuously shipping our cotton goods to England, and last year, 1879, they reached 572,492 pieces in addition to over two hundred thousand dollars' worth of other cotton fabrics, and you seem to be aware of the fact, because you notice in your book the fact of the import of cotton goods in England from America, but, for your own purposes, you ignore the fact that cotton goods are cheaper in the United States than they are in England, and that our farmers would have to pay more for them in England than they are now paying for them in their own country. But you will reply, If this be so, what do you want your protective Tariff for? At a proper time I will tell you, but this is not the question we are considering now. The question is whether your statements are true or false. The wisdom or policy of our Tariff system is not now under consideration,—it is your statements and your assertions; and if you will put yourself to the trouble to go to your own dry-goods stores in England, you will find on their shelves our cotton fabrics for sale, and at

prices as cheap as, if not cheaper than, you can manufacture and sell them for, even in England. Your statement, then, about the farmer's wife being able to buy a calico dress in England for two dollars, for which she now has to pay three dollars in America, is untrue. Cotton goods and cotton fabrics, such as are generally used by the farmers and their families in this country, are cheaper to-day in the United States than they are in England, and our farmers can buy them for less than they would have to pay for the English goods if there was no duty. And this applies to hosiery as well as to prints and plain cotton goods. It is the same with boots and shoes. If you will take the trouble to examine your own trade returns, printed by order of Parliament, you will find that you have been importing boots and shoes from the United States, and if you will go still farther, and do as I have done, go to your stores in England and then to our stores in this country, you will find that the farmers in the United States can buy their boots and shoes just as cheap here as they can in England.

While at your trade-reports you will find that, in the year 1878, you imported from the United States 55,957 hundred-weight of wrought or manufactured iron and steel, and in the year 1879, 66,408 hundred-weight of the same commodities. If you will then go into your hardware-stores you will see displayed for sale, imported from the United States, axes, edge-tools, forks, etc., etc., superior in quality and finish and cheaper than you can make them. This is generally admitted, even in England. You will find our forks being used everywhere; our axes in your forests, and our reapers, mowers, and other agricultural implements and machinery in your fields; and if you will go to our stores you will see all edge-tools, such as axes, saws, etc., which the farmer uses, and all of our forks, spades, shovels, hoes, harrows, plows, cultivators, rakes, mowers and reapers, etc., etc., as cheap as they are in England, and in some instances cheaper, and in very many of a quality

and finish far superior to anything sold by you. The American farmer would be a great loser if he was compelled to go to England for any of his tools or implements of husbandry. The same with his wagons, carts, and barrows, as well as carriage (if he has one). They are all cheaper in this country than they are in England.

Furniture constitutes a large item in the expenses of every one having a family, and of none in proportion to his means more than to the farmer. Whilst this is undoubtedly included by implication in the two hundred dollars you assumed as the annual expenses of the farmer, you do not for some reason mention it by name; you name crockery, glassware, carpets, curtains, tinware, and even railway iron, but you do not mention furniture by name; was its omission due to the fact that it is about ten per cent. on an average cheaper in the States than it is in England? You will probably inform us in your next edition.

The farmers in America generally have time-pieces. Why did you not refer to them? They are manufactured articles, and have to be bought for the family. It would have been interesting to see how you would have figured on these, especially when we furnish most of the clocks found in the houses of the farmers of your own country. For your information I will give you the figures. Last year you imported from the United States 376,023 clocks. Probably in your next issue you will explain and show how these clocks could be repurchased in England by the Western farmers and brought back to this country so as to save forty per cent. over and above what they would have cost if they had purchased them here. It will be an interesting chapter when written. Woodenware, buckets, tubs, trays, churns, etc., used by the farmers, are also omitted by you. They are about twenty per cent. less in price in our country than they could be imported for from England if there was no duty. Pots, pans, kettles, and tinware of all

kinds are retailed as cheap here as they are in England, and so with our glassware,—I mean such as is generally used by our farmers. This is what we call pressed glass. It is cheaper and superior in finish to anything of the kind you produce, or ever have produced, in England.

So much for the markets in which the farmer buys what he consumes, and the prices he has to pay. We have seen that your statements in this are about like those in the other instances.

You have the interest of our farmers so much at heart that you cannot let it pass without calling their attention to the price of iron and steel rails, and you tell them if they will only get the odious Tariff repealed, so that the English can furnish all the rails we require to build our new roads and repair our old ones, that the farmers will be enabled to get their wheat and corn carried to market at much smaller prices than it now costs them. You do not give us your figuring in this matter, or tell us how you make out the saving of forty per cent. to the farmer, but for your information I will inform you that before the time when steel rails began to be manufactured in this country the price of steel rails in England was one hundred and forty dollars per ton, and the cost of transporting a bushel of wheat from Chicago to Philadelphia varied from forty to seventy cents. Within the last two years American steel rails have been sold in the United States at forty dollars per ton, and are now selling at about sixty dollars per ton, and wheat is now transported from Chicago to Philadelphia at less than seventeen cents per bushel.

I do not believe our people or our farmers care to go back to the old prices for English rails, even to oblige the English people, and I think they will hesitate before they extinguish the fires in our furnaces by legislation, and place our people and the industries of our country at the tender mercies of the English manufacturers.

I propose to examine some other of your extravagant statements.

You say, "In 1860, your (United States) export of cotton "manufactures was $11,000,000. It was only $11,500,000 "in 1878, a paltry increase of $500,000 in eighteen years. "In England the increase within the same period was "$60,000,000." Is it true that the export of cotton manufactures in England increased $60,000,000 from 1860 to 1878? The figures as taken from your own trade-reports show your total export of cotton goods in 1860 was £42,141,505, and total export of cotton goods in 1878 £52,918,199. The increase for the eighteen years was £10,776,694, or, in our money, $51,728,137, and not sixty millions, as you state. In this instance you come within about eight millions of dollars of telling the truth. With regard to our export of cotton goods in 1860, you give it as eleven millions of dollars. It was something under this sum. But do you not think that it would have been just as well for you to have informed your readers that the export of cotton goods from the United States for 1860 was an exceptional year, and higher by some millions of dollars than it ever had been before, and then to have gone on and told them that the war-vessels—"Alabama," and others—you English built for the rebels not only destroyed our ships by making bonfires of them, but swept our commerce from the ocean and ruined our trade so thoroughly that within two years from 1860 our exports of cotton fell below two millions of dollars? It has been increasing from this low figure, to which your cruisers reduced it, until, in 1878, it reached $11,438,660. I will give you the figures for the last decade:

| | |
|---|---|
| In 1868 our export of cotton goods was . . | $4,871,054 |
| " 1869 " " " " . . | 5,874,222 |
| " 1870 " " " " . . | 3,787,282 |
| " 1871 " " " " . . | 3,558,136 |
| " 1872 " " " " . . | 2,304,330 |

| | | | | | | |
|---|---|---|---|---|---|---|
| In 1873 our export of cotton goods was | | | | | . | 2,947,528 |
| " 1874 | " | " | " | " | . | 3,095,840 |
| " 1875 | " | " | " | " | . | 4,071,882 |
| " 1876 | " | " | " | " | . | 7,722,978 |
| " 1877 | " | " | " | " | . | 10,235,843 |
| " 1878 | " | " | " | " | . | 11,438,660 |

From this you will see that the export of cotton goods has more than doubled in the ten years, being a much larger increase per cent. than your exports of cotton have made.

You attempt to make a point against our manufacturers by telling them that for the three years from 1866 to 1868 the agricultural products of the United States formed 74 per cent., and the manufacturing and other exports 26 per cent., of the total, and that for the three years 1876, 1877, and 1878 the agricultural export formed 80 per cent., and manufacturing and other exports only 20 per cent. And you then comment upon this, and tell them that the falling off in the percentage of manufactured products is due to *the fatal boon of Protection.* How or why it is due to protection you fail to tell. You assert it, as you do most of the other statements in your book, without a single fact or figure to sustain you. Now suppose when we examine into it we find that your figures in this as in most other matters are untrue? That you either through ignorance, or else with a design to deceive, have misrepresented the facts? I have not got the statistics of the percentage for the three years 1866, 1867, and 1868, but I have those for the years 1876, 1877, and 1878, and instead of agriculture forming 80 and manufactures only 20 per cent. of the exports, agriculture formed only 75.45, and manufactures and other exports 24.55. I have the years 1860 and 1870, and the exports of agricultural products were 81.14 per cent. in 1860, and 79.34 per cent. in 1870, showing the manufacturing exports were gaining instead of losing, being right the reverse of what you represent it. But let us go to the

figures themselves and see how far they sustain or disprove your assertions, and ascertain how much *the fatal boon of Protection* has injured our manufacturers in their exports during the ten years you have referred to; that is, from 1868 to 1878.

In 1868 our exports of manufactured and other products outside of agriculture amounted to only $59,681,451; in 1878 they had increased to $159,710,976, being an increase for the ten years of 167 per cent.

Let us now see what your "Free Trade" has done for England. If I were to do as you did, take an exceptional year, I should tell you in notes of exclamation that your exports of domestic produce, mostly manufactured products, had declined or fallen off from 1872 to 1879 over three hundred and ten millions of dollars; but I shall content myself with taking the last ten years, and comparing the first five with the last five. Your trade-reports tell us that the total declared value of British and Irish produce exported from the United Kingdom in the decade was as follows:

| | | | |
|---|---|---|---|
| 1870 . . | £199,586,822 | 1875 . . | £223,465,963 |
| 1871 . . | 223,066,162 | 1876 . . | 200,639,204 |
| 1872 . . | 256,257,347 | 1877 . . | 198,893,065 |
| 1873 . . | 255,164,603 | 1878 . . | 192,848,914 |
| 1874 . . | 239,558,121 | 1879 . . | 191,531,758 |
| | £1173,633,055 | | £1007,378,904 |
| | 1007,378,904 | | |
| Difference in five years . . | £166,254,151 | | |

Showing a decline or falling off in your domestic exports for the last five years of seven hundred and ninety-eight millions of dollars. You were very careful not to refer to this in your book. It did not suit your purpose to do so. It was best that it should be kept out of sight. It would have spoiled your argument to the Western farmer. Now let us

sum up the matter, and make up the account as it stands between the manufacturers of America under "the fatal boon of Protection" and the manufacturers of England under "*your so-called Free Trade,*" so far as the export of their products is concerned. Ours have increased during the ten years 167 per cent., and yours have decreased 14 per cent. We have advanced and you gone back; we have increased and you have decreased; and to-day we are competing with you in the markets of the world with almost all kinds of manufactured commodities. Among the manufactured products exported last year we find cotton goods, agricultural implements of all kinds, carriages, carts, railway cars, locomotives, steam-engines, watches, clocks, glass and glassware, hats, caps, boots, shoes, wearing apparel, machinery, cutlery, edge-tools, files, saws, fire-arms, nails, india-rubber goods, jewelry, lamps, saddlery, harness, organs, piano-fortes, paper and stationery, printing-presses, sewing-machines, household furniture, wood-work, tin-ware, scales and balances, and woolen goods.

In addition to the direct protection our farmers receive, under our present Tariff system, by the imposition of sufficient duties to keep out of their home market all foreign competitors, the incidental protection which they receive by the creation of a home market is even greater and far more important than the direct protection, as important as that is to them. The direct protection keeps off all competitors, and the incidental establishes for them a certain, constant, and reliable home market. Now, it is in this home market where the farmers sell most of their surplus products. The proportion of what they sell at home and what they sell abroad is about as ninety-two to eight. That is to say, leaving out cotton and tobacco, it is found that about ninety-two per cent. of the surplus products of the farmers of the United States are consumed at home, and principally by our Eastern manufactures and those connected with them, while only about eight per cent.

are sent abroad. These are about the proportions, taking one year with another. Now, it is our Tariff system that builds up and sustains our manufactures, and it is the manufactures, mainly, that create the home market in which the farmer sells about ninety-two per cent. of his surplus products. Destroy the manufactures and you destroy this home market; the market destroyed, and where will the farmer sell his surplus? You will answer, In England. My reply is that England will take just what she requires and no more. She will not buy one bushel more than she wants to feed her people. The Eastern manufactures, and those dependent upon and connected with them, buy and consume more than ten times the quantity of agricultural products that England and all Europe together buy of us. England never has taken, and never will take, the place of the home market. Hence this home market to our farmers, both East and West, is of the greatest importance,—an indispensable necessity (I am not including the cotton and tobacco products, which grow in the South), and worth ten times more than all the foreign markets put together are to us. From these considerations it is manifest that there is not in our country any one industry more protected or that derives more benefit from our Tariff system than the farming interest.

And this is not all, for the home market is always certain, sure, reliable, and to be depended upon, whilst the foreign market is not sure or certain, but dependent upon the foreign harvest. Take England for an example. If she has a good harvest her people do not require as much as they do when the harvest is bad. Then again, in the foreign market you always have competitors. England may have a bad harvest and require much wheat to feed her people, yet Russia, Turkey, and Germany may have good ones, and then they will be our competitors in the English market, and if they can sell for less than we, the Englishman buys of them and not of us. In this, as in all other matters

of trade, it is price that controls, and there are no people in the world who understand this better than the English, or who are more quick to take advantage of it.

If we can place our agricultural products on their shores at a less price than the Russian or German, they buy of us. If we cannot, then England buys of them. It is price, and that alone, that controls this. Our Tariff system and your Tariff system have nothing to do with it, neither is it reciprocity,—that is, if we do not buy of you, you will not purchase of us. It is all price both with you and with us, and the figures, when you examine them, will show this. If the English merchant wants corn or wheat he does not examine the statistics of your country or our country to see on which side the balance of trade lies, or inquire as to whether the people of the United States have been purchasing goods of English manufacture. The only inquiry he makes is as to where he can buy the cheapest, and this ascertained he makes his purchases without the least regard or reference to the trade between the two countries, or to their Tariff systems. This has been the case for all time and will continue to the end, your theories and your speculations to the contrary notwithstanding.

It must be remembered that, in the matter of farm, manufactured, and all other products, it is individuals that carry on the traffic. It is not the Governments dealing one with the other, but the individual members of one Government dealing with the individual members of another. Hence when we speak of the prosperity of a nation or the wealth of a nation, it is only the prosperity and the wealth of the individual members, or people, composing the nation. Therefore the wealth of a nation depends upon the wealth of the individuals composing the nation. The wealth of the people in a nation constitutes the wealth of the nation. If the people accumulate and grow rich, the nation is rich. If the people squander and grow poor, the nation is poor. Your great argument, and that

of most of your Free-Traders, is based upon the reciprocity between nations, and when applied to England and the United States it is this: that, unless we repeal our Tariff system and buy your manufactured commodities, you will not purchase our agricultural products. All your writers are constantly harping upon this. It is the great bugbear held up by you to frighten our people, and especially our farmers. I have already shown you that there is nothing in it. But inasmuch as you are trying to make so much capital out of it, we will examine it still further and see how it works in practice. We will test it by your own trade-reports, and take the figures from your own statistics as published by Parliament. You state it in this way: "The increased imports which the aboli-"tion of custom duties would bring about would necessitate "increased exports to the same amount to pay for them, for "there can be no *additional import without a corresponding* "*export.*" No doubt the repeal of our Tariff system and the destruction of our manufactories would greatly increase our imports. Everything we now make at home we should then have to buy of you and import. This is one of the things you are trying to bring about; but when you have doubled and trebled our imports from England, will the exports follow, and in the same proportion? You say they will. Undoubtedly, it invites such exports, but will they go? and how far is your theory true or untrue, that "there can be no additional import without a corresponding export"? This is the question. It is upon this that you and all other Englishmen base your Free-Trade arguments; hence the propriety if not necessity of examining them to see whether they are sound or unsound, true or untrue. The theory, like many others of your Free-Trade theories, is very pretty in theory, but this is about all there is in it, for it utterly fails when put into practice, and I venture to say no greater fallacy was ever put forward to deceive and mislead. Bearing in mind that it is the

individuals of the nation that carry on the trade between nation and nation, and not Governments themselves, I ask what there is in your theory that compels an Englishman to buy of us if we purchase of you. Nothing at all. One contract is not dependent upon the other; each is separate and distinct from the other. There is nothing in the theory itself, and there is not and never has been anything in the practical working of it, that has brought about the result which you state. The figures in your own country, where it ought to hold good if it does anywhere, show right the reverse of what you state, and disprove your theory.

I take your trade with other nations from your own reports, and I select England because it is you English people who put forth and insist upon the theory. In a letter recently written by me, addressed to Mr. Rawlins, of Liverpool, I took occasion to show how utterly this had failed in your trade with Russia. I showed him that for twenty years, ending with 1878, without a single exception, this principle had not held good, that it had failed in practice every year. The figures for the whole twenty years footed up as follows:

| | |
|---|---|
| Your imports from Russia . . . . | £369,782,059 |
| Your exports to Russia only . . . . | 158,436,122 |
| Excess of imports over exports . . | £211,345,937 |

or, in our money, more than one thousand millions of dollars.

In other words, you bought of Russia, chiefly in agricultural products, each and every year during this period more than double in value what she purchased of you. We now have the return of your trade with Russia for last year, 1879, and we find it runs in the same direction.

| | |
|---|---|
| You imported from Russia in 1879 . . . | £15,876,585 |
| You exported to Russia only . . . . | 10,607,083 |
| Excess of imports over exports . . | £5,269,502 |

That is, you purchased of her, and principally in agricultural products, over twenty-five millions of dollars' worth more than she bought of you. And what makes it still worse for you in this year, 1879, of the goods you sold to Russia only about seven and a half millions sterling were of your own production; the rest were all foreign production.

Let us now see how this principle holds in your dealings with other nations, and we will take the year 1879.

France is your nearest neighbor.

| | |
|---|---|
| You imported from her . . . . . | £38,459,096 |
| And exported to her only . . . . . | 26,595,958 |
| | £11,863,138 |

That is, in our money, you bought from her over fifty-six million and nine hundred thousand dollars' worth more than she purchased from you.

*Holland.*

| | |
|---|---|
| You imported . . . . . | £21,959,384 |
| You exported only . . . . . | 15,452,752 |
| Less than you bought of her . . . | £6,506,632 |

*Denmark.*

| | |
|---|---|
| You imported . . . . . | £4,675,090 |
| Exported to her only . . . . . | 1,984,767 |
| | £2,690,323 |

You purchased from her more than double the amount that she did of you.

*Norway and Sweden.*

| | |
|---|---|
| You imported . . . . . | £8,392,723 |
| You exported only . . . . . | 3,928,682 |
| | £4,464,041 |

That is, she did not buy of you one-half as much as you did of her.

*Spain.*

| | |
|---|---|
| You imported from her . . . . . | £8,398,776 |
| You exported to her only . . . . . | 3,758,717 |
| | £4,640,059 |

You bought of her more than double the amount that she did of you.

*Portugal.*

| | |
|---|---|
| You imported from . . . . . | £3,025,228 |
| You exported to . . . . . | 2,427,118 |
| | £598,110 |

*Egypt.*

| | |
|---|---|
| You imported from . . . . . | £8,890,052 |
| Exported to only . . . . . | 2,208,105 |
| | £6,681,947 |

She purchased of you less than one-fourth the amount that you did of her.

*China.*

| | |
|---|---|
| You imported . . . . . | £11,049,300 |
| You exported to her only . . . . | 5,140,074 |
| | £5,909,226 |

That is to say, in our money, for the year 1879, you purchased of these nine nations above $232,870,284 more than they bought of you, and if you extend the inquiry back and examine the figures of your trade with these nations, you will find the same disparity has existed with but two exceptions, Holland, and, in the year 1872, with France. These figures show that some of these nations have not purchased of you one-quarter as much as you have bought of them for years past, and yet you have gone straight along and purchased just the same as if they were purchasing as much of you as you were of them. Will you explain why in all these cases the export has not followed the import? You say there can be no import

without an export. If this is true, why has not the export followed the import in any one of these cases?

Mr. Rawlins' explanation, in substance, is this (and I suppose you will also give it): England is rich, and her people have loaned money to the people of other nations all over the world, and that the difference between your imports and exports has been paid by the interest due from them to you. Now, whether this is true or not I have no means of ascertaining, but my answer is that we are not discussing the question of payment, but the truth or falsity of your theory. And we have found that it is not true in a single instance in your dealings with any of these nations. The mere admission that you pay this difference in any other way than with an export knocks down your theory, and the great bugbear which you have set up and harped upon to frighten our people falls with it.

But there is another side. There are cases where your exports exceeded your imports; when the balance of trade was in your favor, and when, if you would, you could have equalized the trade and made your theory work. That is, you could have bought from them just as much as they did of you. For every import there could have been a corresponding export. You had it all in your own hands, just as you will when you repeal our Tariff system and close our manufactories. What have you done in these cases? For each import has there been an export? In other words, have you purchased of them as much as they have taken from you? Let us see. We will take the year 1879 again:

*Turkey.*

| | |
|---|---|
| You exported to her . . . . . | £4,521,406 |
| Imported from her only . . . . . | 971,313 |
| | £3,550,093 |

From this she bought of you more than four times as much as you purchased or took from her.

*Japan.*

| | |
|---|---|
| You exported to her . . . . . | £2,997,522 |
| Imported from her only . . . . . | 450,945 |
| | £2,546,577 |

*Argentine Republic.*

| | |
|---|---|
| You exported to her . . . . . | £2,137,537 |
| Imported from her only . . . . . | 828,365 |
| | £1,309,172 |

*Venezuela.*

| | |
|---|---|
| You exported to her . . . . . | £470,185 |
| You imported from her only . . . . | 114,804 |
| | £355,381 |

These cases might be extended, but probably enough have been given to prove that the import does not follow the export, or the export the import. For years and years these nations have bought freely and largely of you, some of them six times as much in a year as you have from them. It does not and has not mattered how much they have taken from you. England on her part has only taken what she wanted of them.

And so it would be with us if we were to repeal our Tariff system. You would then as now take just what you wanted and no more, and not even then unless we could sell it cheaper here than you could buy it in Europe. Your theory which you put forth, and which if not so intended is calculated to deceive and mislead our Western farmers, is therefore not true. The importation is not controlled by the export, but by the power or capacity to purchase. Neither is the export controlled by the import, but chiefly by the quality and price and the necessities of others. If they want what you have to export, and you will sell it cheaper than any one else, then they will buy it of you, or at least what they want or require, but no more.

If our Western farmers think that after they have helped England to break down our Tariff system and destroy our

manufactures the English will treat them better or differently from the way they treat other nations, they will find themselves wofully mistaken. There is no more selfish people living than the English, and it is selfishness pure, simple, and unadulterated that lies at the bottom of your book, and of all the efforts you and your people, including the Cobden Club, are now making to break down our Tariff system and destroy our manufactures.

Closely connected with the question we have just been considering is another of your theories, that of barter. In your book you state it as follows: "It is now well established and "universally admitted that debts between nation and nation "are not paid in specie (beyond the merest fraction), but in "commodities, and that all commerce is substantially barter." Now, that a man who has a jack-knife may trade it with a man who has a wood-saw will not be disputed, and that this can be done by any one is beyond question, but that it is generally done, or that this theory of yours is true in the dealings which take place between the producer and consumer, whether it be manufactured or agricultural products, is denied. I know it is a favorite theory of all Free-Traders, and possibly of others. I am quite aware of the fact that merchants and bankers, in transmitting the price of commodities from one country to another, may and often do it by a bill which may be settled for by another bill drawn by the other country, and that these transactions for the convenience of the merchant or banker are what you denominate as barter. But these transactions, as a rule, are far removed from either the producer or consumer, and the cases where they directly apply are quite exceptional.

I propose to examine the theory in its practical operations, when applied to the dealings which take place between man and man, whether of the same or another country. I want to bring it to a practical test. I think much of the mystification and confusion that we find in connection with the questions of

Protection and Free Trade grow out of these theories which are laid down, but which never hold good in practice.

If there ever was a case where the letter killeth, it is with the theories and principles, as you call them, upon which your system of Free Trade is founded. It reminds me of an old medical practitioner who had certain remedies for certain diseases, and which he always administered for the particular disease without regard to the age, sex, constitution, or condition of the patient. It had cured in one case, therefore it would cure in another; it was good for one person, and therefore good for another. This was his theory, and there is about as much common sense in it as there is in the theories upon which your system of Free Trade stands. The condition of the country—whether new or old; whether settled or unsettled; whether with an abundance of coal and minerals or destitute of them; whether filled with people or containing but few inhabitants; the quantity and character of the soil; the water-powers it may contain; the nature of the climate; the character and genius of the people—is never considered or taken into account, but the Procrustean helmet of your so-called Free Trade is to be placed upon it. The harness is to be put on and worn whether it fits and is suited or not. Your argument is, It has done for us, and hence it must do for you. With such a theory, enforced with such logic, is it to be wondered at that your Free Trade, as you teach it, has not been followed by a single colony you have ever planted, and has been repudiated by every civilized nation on the face of the earth?

But to the particular theory we are considering, that of barter. First, it must be borne in mind that there is no such thing as national trade,—that is, dealing between the nations themselves. England never buys corn or wheat of our farmers and the United States never buys goods of your manufacturers, unless in times of war or famine, which are exceptional. The transaction or trade, as we have already seen, is

between individual members of the different nations, and so far as the transactions between the producers and consumers are concerned, whether with the commodities of the one country or the other, it is cash and nothing but cash, and there is no barter about it.

The farmer sells his wheat or corn for cash, and then takes his cash, or what he receives, to the store, and buys what he wants and pays cash for it. So with the manufacturer of England. He sells his goods, either directly or through an agent, for cash, and there is no barter about it, unless you regard money as a commodity and the cash transaction as a barter. In the Western States of our country agents are found in all the towns, and at nearly every railway station, who buy the wheat and corn of the farmers and pay them in cash. This grain may be bought direct by the miller, or find its way to Chicago or some other port. When it gets there it may be sold to the miller or to the exporter, but in either case it is a cash transaction and paid for in cash. If it is exported, when it gets to England it goes into the hands of the broker, who sells it to the miller for cash, who in his turn sells it to the baker for cash, and the baker receives cash for the bread he sells to his customers. The same process follows the manufactured article, whether it is a yard of cloth, a pound of nails, or a plow, until it gets down to the consumer, and there is no barter from the beginning to the end. There are often many go-betweens, especially when the product is shipped from one country to another, called agents, brokers, or shippers, middle-men, but who manage to derive a living from the transaction at the expense of either the producer or consumer, —more often the latter.

The balances existing in the dealings between what you call nations are easily accounted for. These balances are made up from individuals buying and selling; and the whole thing is explained when you get down to the consumers, whether of

agricultural or manufactured products. I divide the consumers into three classes,—

1st. The man who is dependent on his labor, and has nothing but his labor.

2d. The man who has an income and does not labor, but lives off his income.

3d. The man who labors and also has an income more or less, and lives from the proceeds of both.

Labor is production, and the laboring man has his production to give with which to buy what he consumes, and though he is paid in specie for his labor, with which he purchases what he consumes, the account may be balanced, that is, if he expends no more than he makes, and he may go on so long as he can labor.

How is it with the man who lives off his income? He produces nothing. He pays cash for what he consumes.

The man who has an income, and also labors, pays for what he consumes by expending the products of his labor, and making up the balance out of his income.

Now, these transactions, which are daily going on between individuals of a nation, and between individuals of different nations, may some time run into imports and exports, and for the purpose of an illustration we will so regard it in this instance, and take three individuals to represent the three classes above named, and then, if you will put all that is consumed by them into imports, and all the product of their labor into exports, and each will consume an equal amount of product, then in such a case the imports would double the exports, and if they lived within the bounds of their circumstances, that is, should not expend more than their labor and their income combined, while they would not grow rich they would not become poor, but stand still, and go on from year to year without accumulating. But just as soon as they should go beyond this, and spend more than their labor and income, and begin to

draw on their capital, ruin and bankruptcy sooner or later would follow. As with individuals, so with what you call nations, which are but the aggregate of individuals composing them. Hence it is easy to account for the discrepancies, or differences, which you find existing between one nation and another in their trade, and to explain why one is prosperous and the other is not; why one grows rich whilst another grows poor. But as individuals very often live beyond their means, that is, spend more than their labor and income combined, so may a nation, and the capital be drawn upon, and if continued too long exhausted, when ruin follows. This may explain the excess of your imports over your exports.

| | |
|---|---|
| Your imports for 1879 were . . . . | £362,991,875 |
| Exports only . . . . . | 248,783,364 |
| | £114,208,511 |

Leaving a difference, in our money, of imports over exports, for the year 1879, of over five hundred and forty-seven millions of dollars, and the excess of your imports over your exports for ten years, that is, from January 1, 1870, to December 31, 1879, is as follows:

| | |
|---|---|
| 1870 . . . . . | £59,176,916 |
| 1871 . . . . . | 47,440,780 |
| 1872 . . . . . | 40,104,790 |
| 1873 . . . . . | 60,282,607 |
| 1874 . . . . . | 72,432,237 |
| 1875 . . . . . | 92,327,254 |
| 1876 . . . . . | 118,378,601 |
| 1877 . . . . . | 142,073,662 |
| 1878 . . . . . | 123,286,884 |
| 1879 . . . . . | 114,208,511 |
| Making an excess for the ten years . | £869,712,242 |
| Or, in our money, about . . . | $4,164,618,761 |

I do not say from this that you are spending more than your income,—I have no means of ascertaining this,—but I will say

that nothing but the income of your people from their investment abroad can make up this difference, and I will say further that your coal-fields and your beds of minerals, upon which you now mainly rely for your prosperity and success, are gradually becoming exhausted, and that when that day arrives ruin and bankruptcy will follow.

In connection with your trade for the last ten years let us take a glance at the business and condition of the two countries as they appear to-day. You attempt a partial review of us, and make quite a sensational showing against our country. It stands about in this way as you have drawn it: Robbing our farmers out of four hundred millions of dollars yearly, which is thrown away; the destruction of our mercantile navy; seven thousand eight hundred and sixty-six commercial failures every year; twenty-five blast-furnaces blown out and sixty or seventy rolling-mills shut up during the last six years, and the wanton squandering upon railway iron,—these are served up in your peculiar style, in order to produce the most effect. I can almost imagine I can hear you say, when you lay down your pen, like the man who manufactures the thunder for the stage performance in a theatre, "There! can you beat that?"

A stranger in reading your book would naturally think we were in a deplorable condition, and fast going to ruin. You ought to have drawn a corresponding picture of England, so that we could have displayed them side by side, and compared one with the other, — the United States going to destruction and ruin under its odious Tariff system, and England prospering and flourishing under her so-called Free Trade. It would, no doubt, have been quite a relief to have turned from the ruin of the one to the prosperity of the other. As you have failed to do it, you will pardon me if I make the attempt. For more than ten years you have been living under your so-called Free-Trade system, and for more than ten years we have been living under our present Tariff

system. We therefore have a fair and square test of the workings of both systems for ten years and longer; but we will confine our comparison to the single decade.

We have seen that during this period the balance of trade has been against you every year. In 1870 it was over two hundred and eighty-four millions of dollars, and in 1879 it has grown up to over five hundred and forty-seven millions of dollars, and for the whole ten years the total amount reaches the enormous sum of four billions one hundred and sixty-four million six hundred and eighteen thousand seven hundred and sixty-one dollars. That is, your people have had to buy from the people of other nations this much more than you have sold them.

How has it been with the United States, with her trade, during this period?

In the year 1879 the account stands thus:

| | |
|---|---|
| Our export . . . . . | $710,439,441 |
| Our import . . . . . | 445,777,775 |
| Excess of export over import . . . | $264,661,666 |

And for the last ten years our excess of exports over our imports amounts to $329,921,523. The balance of trade to this extent has been in our favor. In other words, we have sold this much more than we have had to buy from foreign countries. After paying for everything we have purchased abroad we have left this amount of surplus, besides all of our income, none of which has been used in purchasing foreign commodities. To this extent, then, we have accumulated and increased our resources. We have seen what you lost during the same period.

Now, if there were two individuals doing business, the one taking in more than he was paying out, and the other paying out more than he was receiving, which would you say was doing the most prosperous business? As between individuals

we would say that the one who was accumulating was growing rich, while the other, who was losing, would be growing poor. Suppose we apply this principle to the dealings between the people of the United States and the people of England. If we do, which nation has been the most prosperous or successful,—England with her so-called Free Trade, or the United States with its protective system? Let us follow this matter still farther. Prosperity in individuals generally shows itself, and as individuals make up what we call the nation, let us see which gives the most evidence of prosperity, England or the United States, during the last ten years. We, on our part, have paid off, during this period, over five hundred millions of dollars of our national debt, and besides other improvements in houses, factories, public buildings, etc., have built and equipped and put into operation 39,653 miles of railroad, at an expense of over one billion four hundred millions of dollars, costing more than twice as much as all the vessels that you have afloat in your mercantile navy, and carrying ten times the merchandise, and worth to us, in our inland commerce, and in developing our country and its resources, a hundred times more than all the navies of the world would be if we owned them; and during this period, as will be shown by our census, just taken, when it is published, we have increased in population and in material wealth more than any other nation on the earth, and to-day, in intelligence and in everything that is embraced in the term civilization and that goes to constitute national greatness, stand second to none, and in the progress we have made are without an equal in history. So much for the abominable Tariff which you and your people hate so much. Do you not think that we can stand this kind of ruin a little while longer?

During the last ten years I find you built about 2200 miles of railroad, not quite half as many as we built in the United States during the last year. Will you tell us how much of

your national debt you paid? What has been your increase in population and wealth? What progress have you made in civilization and intelligence? Some, I hope. I leave you to give the figures.

But let us apply another test. Governments are formed or constituted for the protection and benefit of the people. The security, welfare, happiness, and prosperity of the people are the paramount objects of its formation and institution.

Its laws, its acts and conduct, should be directed to attain these ends; and though it may be impossible entirely to accomplish them, yet I suppose you will not deny but that the Government that comes nearest to attaining this result has been the most successful in accomplishing the purpose or object for which it was established.

I need not call your attention to the eighty persons who during last year died in the city of London from starvation, or to the fact that nearly one out of every thirty persons in England and Wales is a pauper, but I will refer you to the condition of the laboring class of your population, who are at the mercy of your capitalists, and whose but too-scanty wages at the very best of times are scaled down still lower whenever it may be necessary to enable your manufacturers to compete with foreign nations in the production of goods. (This is one way, I suppose, you have of cheapening products for the benefit of the consumer; a favorite doctrine of most of you Free-Traders.) Look at the wretched condition of most of your operatives, of the majority of your laborers either on your farms or at other industries, and at the terrible condition of your farmers themselves; able-bodied men on farms in some parts of England getting only from ten to twelve shillings per week,—in our money from two and a half to three dollars,—and compelled to feed, clothe, and find shelter for themselves and families out of this sum.

The thousands of men and women flying from your shores

as emigrants seeking homes and employment in the United States, as well as other countries, tell the terrible story. Let us now look at the other side. There is no country in the world where the laboring classes of the people are paid so large wages, and where, as a consequence, they own so many of the houses they live in, and where they dress and live so well, and have so many not only of the necessaries, but what are regarded as the luxuries, of life as in the United States; and I will add, where this laboring population are so prosperous, intelligent, and happy, at least those living in the Northern and Western States of our country.

You thus have the result of the two systems, your so-called Free Trade in England, and the Protective-Tariff system in the United States. The profits of our manufactures are no greater than the profits of manufactures in England. You admit this, and it is true. The protection which our Tariff system gives goes to the operatives in the increased wages which they get over the operatives of England. It does not go to the manufacturer, but to the operatives and laborers. They get the benefit of it, and are better paid for what they do than the operatives or laborers of any other country. As a class they dress better, live better, and are more prosperous, intelligent, and happy than the same class of persons in any other country. These are the stubborn facts, and they are worth more as facts showing the practical workings of both systems than all your books and all of your Free-Trade theories. It should be a leading feature in every proper social system to give to labor the largest possible return consistent with the cost of production. You in your so-called Free-Trade system overlook, if you do not entirely ignore, this. I have never seen it put forth by any of your numerous writers as a leading and distinct object to be attained, and in your practice it is quite disregarded. When you cannot produce so as to compete, your remedy is to reduce wages,—take

it off of labor rather than capital. One might suppose, instead of capital being created for man, that man in England was made for capital, and that the existence of man and his welfare and happiness were entirely secondary, and of no account as compared with capital. At least this is the way it has impressed me. Our system is the reverse of this, and has for its leading and primary object the largest possible return to labor; and the protection imposed by our Tariff laws goes into the pockets of the operatives, the laborers of the country. It is they who are benefited by it and not the manufacturers, except so far as it enables them to use their capital in this way, and thus give employment to our people and create a home market for our farmers. But their profits when taken as a class are no greater than the profits of the manufacturers in England.

You Englishmen try to ignore our Tariff system, when accounting for our great prosperity and progress, and for the want of something better try to explain it, and you, yourself, among the number, on the ground of the great fertility of our soil. You say in your pamphlet, "The American has extraor-"dinary advantages over the British farmer. He has, first, a "soil so fertile as to produce freely with cheap tillage and no "manure." Now, I am not disposed to deny or underrate any advantage that God and Nature have given us in either soil, climate, or mineral wealth. But the truth must be told even at the expense of your theories. These assertions made by you and your English friends would be well enough if they were true. I suppose I can truthfully say that our mineral wealth is far greater than yours, and that our supply of coal and iron is without limit; that while we have soil equal in fertility to any in the world, we have other that is more barren and worthless than any you have either in England, Ireland, or Scotland, but that taken as a whole our lands are no more fertile or productive than yours in England. I have had

ample opportunities to judge, and think I can speak with confidence. As to the manure question which you bring up, I think our farmers will be very much surprised to learn the fact that they have been raising crops without manure. This, like many of your other assertions, is untrue and scarcely worthy of contradiction, but lest it be regarded as admitted, I will give you the information that no cereal-growing agriculturists in the world as a class are more dependent upon manure for their crops or do more to utilize it than the farmers in the United States east of the Mississippi River, which will include more than three-fourths of all the grain-growers in our country, and that the cases are quite exceptional where manure is disregarded anywhere in the country. I suppose we have to-day in the United States more fertilizing establishments, exclusively for the manufacture of manure, than any other country in the world. We will examine this still further and take the six New England States, the lands in which as to fertility and productiveness are much below those of England, and yet the prosperity is just as great and marked in these States as in any other in the Union. The accumulation of wealth is as great, intelligence as marked, and the people, both producers and consumers, including the operatives and laborers, are as well off and have as many of the comforts of life as those in any other section. Our great prosperity as a nation is, therefore, not due to the fertility of the soil, but largely, if not entirely, to our Protective-Tariff system.

There are two questions for our Western farmer to ask before he joins hands with you and your English friends in breaking down our Tariff system. The first is, if he joins the English party and strikes at the industries in his own country and succeeds in breaking down the Tariff system, whether it will add anything to his production,—that is, whether it will enable him to raise a single bushel more wheat, oats, corn, or potatoes from his lands. If it will not, then he will be no better

off unless he can command higher prices for what he has to sell. The other question for the farmer to ask is, Why is it that England is so anxious to have our Tariff system broken down, whether it is out of regard for us or to benefit herself? If it is out of regard for our welfare, it is the first instance where England has ever sacrificed her own interests in trade to benefit another nation. When the poor Chinese remonstrated against the introduction of the opium-trade into their country, and pointed to the baneful and terrible effects this poison was having upon the people, the answer was returned at the cannon's mouth, "You must and shall take it." Afghanistan refused, as she had a right to do, to receive your diplomatic representative, and you declared war against her. An African negro king insisted on his right to govern his subjects, consequently his territory was invaded, and the king is now held as a captive. These were weak nations. The United States is a strong and powerful nation, and the force game cannot be played. Hence the more peaceful, but, as you hope, equally efficacious, one has been resorted to, and a hundred pens and a united English press have joined in the labor of educating us in matters of trade. Your pamphlet addressed to the Western farmer is one among many others the Cobden Club and your English friends are scattering broadcast in our land to break down our Tariff system.

We have already seen that the farmer cannot raise a single more bushel of grain after this is done than he does now, and that his only hope for being benefited is in being able to get more per bushel for what he produces than he now receives. Is this result likely to follow? Recollect, it is the destruction of our manufactures that the English are driving at. They lie entrenched behind the Tariff system. Englishmen strike at the Tariff system and ask the farmers to join therein, knowing full well that if the Tariff system goes down a large number of the manufacturers go with it. This is what you are working

to accomplish, though you dare not put it in express terms. If you succeed you expect to gain by it, and you know full well that your gain will be our loss. Let us look at this and see how it is to be brought about. We have no exact reliable figures as to the number of persons engaged in manufactories at the present time; probably, however, there are not less than four millions. Suppose, by the repeal of the Tariff system, you only break down one-third of our manufactures, though you hope to destroy a much larger proportion, this one-third would amount to over one million three hundred thousand people, representing a capital now employed in manufacturing of about one billion three hundred millions of dollars, and a value in productions of not less than two, and probably three, billions of dollars yearly. Now, in closing up one-third of these mills, furnaces, and factories, much of the capital invested in them would be necessarily sunk and lost, and the production of the two or three billions of dollars in value of manufactured products be transferred to England, and 1,333,000 persons, and the many thousands depending upon these, would be turned out upon the world. Now, it is within the figures to say that each one of these persons, on an average, has two persons depending upon him; this would swell the number to about four millions of people. But this is not all: there are thousands of others who, as agents, tradesmen, teamsters, and laborers, are remotely connected with, and dependent on, these manufactories, who, with their families, would also be turned out of business, and who must find some other employment or starve. None of these people were engaged in agriculture. They were all consumers of agricultural products, and constituted a part of the home market. To this extent the farmer's market will have been destroyed. Let us see what this loss will be. It has been ascertained that if a man expends all he earns not less than three-fourths is in food. Now, if we fix the wages the opera-

tive earns at five hundred dollars per year (and the probabilities are that, taken one with another, they would average six hundred dollars, but we will only take five hundred dollars as the wages) and three hundred and seventy-five dollars as the amount expended in food, and you take 1,500,000 persons as the number turned out of employment, the farmer then loses a market for $562,500,000 worth of his products. Now, all the agricultural products exported from this country last year, 1879, including meat, breadstuffs, cotton, tobacco, hay, hides, hemp, and seeds, only amounted to $519,209,416, less by over forty-three millions of dollars than what the farmer would lose by the destruction of this part of his home market. To please England he would destroy his market for over five hundred and sixty-two millions of dollars of his products. How is this to be made good to the farmer? He must sell it somewhere. England will not take any more of his products, at the present prices, than she does now, and she will not take more than she wants at any price. She will not require any more in a bad harvest than she did last year, because she never had a worse one. It is not likely, then, that she will require any more breadstuffs next year or for a few years to come than she did last year. Where, then, will our Western farmer, so very dear just now to you, sell this immense surplus? Echo answers. One thing is certain: the price of agricultural products will be much less, and England will get what she requires at a less price than she is now paying, and to this extent England will be benefited and the Western farmer injured. England will gain just what the farmer will lose.

But the loss to the farmer and the country, as heavy as we have seen, does not end here. These people turned out of the factories cannot starve; they must work to live. The only thing the great mass of them can do is to become agriculturists, and this is what you want them to do. Indeed, it is for this you are working. Sir S. McPeto, Bart., M.P., in his book, written in

1866, tells us that we should turn our attention to agriculture, and the whole bearing of your pamphlet is to the same effect, though you put it in these words: "It is quite an exploded "notion that, if you import what you made before, workmen "are thrown out of work. It is not so; they are merely thrown "on other work to supply the articles that will be exported to "pay for the new import." By the articles that are to be exported to pay for the new import you mean agricultural products. I freely admit that they or most of them would necessarily be driven into agriculture. Now, what would be the effect of turning one-third of all the persons now engaged in and dependent upon manufacturing into farmers? The farmers we now have raise enough to supply the home market, and the foreign market, even during the bad harvests in Europe. After feeding our people and feeding Europe we have a large surplus left. Now, set 1,333,000 persons at raising agricultural products and what would the effect be? It would add to the production not less than eight hundred millions of dollars in value, and this mostly in corn, wheat, and such staples as are produced in the Eastern and Western States. The account with the farmer would then stand about in this way:

| | |
|---|---|
| Loss in the home market . . . . | $562,500,000 |
| Amount produced by the persons now engaged in the manufactories, turned to farmers . | 800,000,000 |
| | $1,362,500,000 |

That is, after supplying England and Europe with all they want, we would have left on our hands a surplus of $1,362,500,000. With such a surplus as this all kinds of agricultural products, except, possibly, those grown in the South, such as rice, cotton, and tobacco, would greatly depreciate and fall in value. Wheat, which now sells in the West for about one dollar a bushel, would probably go down to fifty cents, and corn worth fifty cents would go down to twenty-five

cents. That is, there would be a depreciation of fifty per cent. in most agricultural products, and a good harvest at any time in Europe would add still more to this surplus. What, then, would be the effect of this upon the Western farmer? The man having a farm could not raise more than he does now. The number of his bushels would probably be the same, while he could then only get one-half what he does now for what he may have to sell. Let us suppose, for argument, his crop to be one thousand bushels of wheat, and that this is now worth say one thousand dollars. With the depreciation of fifty per cent. it would be worth then only five hundred dollars; and the loss to all the farmers of the country would be in the same proportion, and in the aggregate would not be less than $1,500,000,000 yearly, for the depreciation would affect, more or less, all kinds of agricultural products. This, then, is what our farmers would lose. Now, let us see who would be the gainers by this great reduction. England does not and cannot raise sufficient food to feed her own people. While she does not require so much when she has a good harvest as she does when she has a bad one, yet there is no one year when she can raise sufficient to feed her people. Every year she is compelled to buy food for this purpose. Last year, 1879, she bought

| | |
|---|---|
| Live animals to the value of | £7,283,769 |
| Meat | 13,639,838 |
| Butter | 10,379,451 |
| Cheese | 3,824,087 |
| Corn-meal | 61,261,437 |
| Eggs | 2,295,720 |
| Potatoes | 2,696,885 |
| Lard | 1,420,881 |
| Fish | 1,652,957 |
| Rice | 3,480,351 |
| Poultry, game, etc. | 432,289 |
| | £108,367,665 |

Making for the eleven articles of food alone, above named, in our money, over five hundred and twelve millions of dollars. And this does not include tea, coffee, or fruits. The year before, 1878, you paid for the same eleven articles the sum of £105,887,929, or, in our money, over five hundred and twelve millions of dollars, and for the ten years from 1870 to 1879, inclusive, you paid for these eleven articles of food the enormous sum of £888,589,087, or, in our money, over four billions two hundred and sixty-five millions of dollars. And the amount of food required by you to feed your people is increasing yearly, and every year. In 1870, ten years ago, it was only about two hundred and seventy-five millions of dollars. In 1879 it had risen to over five hundred and twenty millions of dollars. Now, with a reduction of fifty per cent. in the price of all these products the English people would have saved last year over two hundred and sixty millions of dollars on the purchases of these indispensable articles of food alone. This is not all. In other agricultural products, such as cotton, hops, seeds, oil-cake, onions, and tobacco, you paid last year over forty-nine millions of pounds sterling. Now, all these are produced in the United States and would be affected and lowered in price, more or less, and you would be benefited in the reduction on them as well. This is the way you propose, under the guise of friendship, to help the Western farmers. No wonder that the Cobden Club and England are making such an effort to repeal our Tariff system. With such benefits to follow, you can well afford to write books and spend money.

But this is not all the loss that is to fall on our farmers, or all the benefit England is to receive if you succeed in breaking down our Tariff and destroying our manufactories. The destruction or even stoppage of one-third of our manufactures would put up the price of manufactured products. Would English manufacturers then sell us for the same price they

now sell? Every one knows they would not. The price would go up, and our people would have to pay it. You destroy the competition which now keeps down the price, and the price would go up, just as certain as night follows the day, and the farmer with all others would have to pay the advance. The farmer could not raise one more bushel of grain than he does now, but he would have to sell what he raised at one-half the price he now gets for it, while for everything he bought he would be compelled to pay the advanced price. This is buying of the "Britisher;" it is the dear market you would have him sell his commodities in, and the cheap market in which you would have him make his purchases. He would be the loser on all sides, and you Englishmen the gainers. You would get your food for half the price you now pay for it, extend, probably double, your market in the United States for your manufactured products, which would then come in to take the place of those which would be wiped out and destroyed, and at enhanced prices. To you it would be most advantageous and beneficial, a double gain, but to us, as a people and as a nation, most disastrous and ruinous, a loss on all sides and to all our people. The balance of trade, now in our favor, would then be turned against us, and as this balance, as we have seen, is mainly made up of the accumulations of individuals on the one side, and of the losses of individuals on the other, and as these mark the success and prosperity of the one and the failure and decline of the other, it would not take long in determining which was the most prosperous.

But as great as the losses are which I have shown, they are not all that would follow. Labor is capital, and so long as we manufacture our own commodities this capital from labor is kept in our own country, also the profit on the manufactured commodities, and they are accumulations heaped up here, and tend to swell to this extent what we call our national

wealth, and remain, and are used here, to stimulate our industries and develop the country and its resources. If you destroy our Tariff system and break down our manufacturers, the business with all its accumulations and profits will be transferred to England. This you well understand, and this is one of the things in connection with cheap food that you are trying to accomplish. You recommend our farmers to vote for no man for Congress unless he will pledge himself to vote for "a reduction of five per cent. every successive year on the import duties till the whole are abolished." This will accomplish the object you wish to attain if you can but induce all the farmers to do what you desire, and thus work their own ruin.

You wish us to adopt Free Trade. What you propose is Free Trade, not English Free Trade; but inasmuch as you, yourselves, have never adopted it or practiced it, and as there is no civilized country on the globe that has it, or is practicing it, do you not think that it would be just as well for you first to set us an example? You talk about it very much, and recommend it very strongly to others, and more especially to the United States. Now, if it is so very good, why not try it yourselves? It possibly might be just the thing you want to restore and to give you back the balance of trade and renew your declining prosperity. You could certainly urge it with more consistency if you were to practice it in England. You raise, one year with another, twenty millions sterling, or about one hundred millions of dollars, by import duties on goods by your Tariff law. We raise about one hundred and thirty-five millions of dollars by import duties. It is raised for revenue purposes in both instances, and used by both England and the United States in paying the debts and expenses of the Government. The difference, and the only difference, between you and us is that in adjusting it we discriminate in favor of our own industries,

and levy as much as we can on the luxuries rather than the necessaries of life. You do the reverse. We admit tea and coffee free of duty; you tax them, and your poor man who only earns a dollar a day and drinks his cup of tea or coffee every morning before he goes to work pays just as much tax to the Government on his cup as the Duke of Westminster with his income of ten thousand dollars per day does on his cup. We think this is discriminating against the poor and in favor of the rich. But you will advance the plea which all you English are constantly putting forth, that yours is only a revenue Tariff. I answer that ours is also a revenue Tariff, and when you reply that we in levying it protect our own industries and thus violate the principles of Free Trade, my answer or response would be that a Tariff for revenue conflicts as much with the principles of Free Trade as one for protection. Free Trade in commerce is a trade free from all restriction and impositions of duties or tax, whether for revenue or for protection, or for any other purpose. Now, you have not come to this, nor has any civilized nation, not even your own colonies, and I suggest that you cease writing and urging it upon others until you have tried it yourselves.

You levied and raised by import duties last year, on one of our great agricultural products, tobacco, £8,596,757, or, in our money, about $41,264,433, and very nearly as much the year before and for many years past. Now, this interferes directly with our trade with you, and violates the principle of Free Trade as much as any duty which is imposed by our Tariff. Protection and Free Trade are not correlative terms any more than Free Trade and a Tariff for revenue are.

One of your writers, Mr. Rawlins, in commenting upon this subject recently, says: "In England we have almost entirely "abjured the principle of Protection. I wish I could say with "equal truth that we had entirely adopted the principle of

"Free Trade." After making this admission in order to get over the difficulty of this revenue Tariff, which violates every principle and the very essentials of Free Trade, he says: "I "shall use the term '*Free Trade*' in its *conventional* and *not* its "scientific *sense*." It is not Free Trade, but something that you English have been in the habit of calling Free Trade, and you have done so for such a length of time that you will call it conventional Free Trade. You are driven to the necessity of inventing a name for it. Did it ever occur to you that if you called a thistle a rose it would not make it a rose? And it would remain a thistle just the same as if you had not called it by some other name. Suppose we call our Tariff system conventional Free Trade. Have we not as much right to do so, and would it not be just as appropriate as it is for you? I would suggest as a name for your system, "*English Free Trade*," to distinguish it from the system you are urging us to adopt.

When you are willing to set us an example of Free Trade, and pull down your custom-houses, and discharge all the appraisers, inspectors, tide-waiters, watchmen, and clerks "*who now have comfortable places*," where they are drawing pay from your Government, and discharge the thousands of coast-guards established all around your island and Ireland to prevent smuggling, and take off the indirect protection your manufactures get in the way of drawbacks, or premiums to enable them to compete in foreign markets, and withdraw your subsidies to your steamers, which to this extent is direct protection, it will be time enough for us to consider the question. But I would suggest that you remove the charges in the way of light-dues and town- and dock-dues, which all our vessels have to pay on entering any of your ports. We make no such charge against your vessels entering the ports of the United States. Our Government pays for all the lights on our coast, and sets an example worthy of your imitation. It is no

answer for you to tell me other nations are compelled to pay the same dues. It is a tax, and a very onerous and heavy one, imposed upon commerce, and conflicts with the principle of Free Trade.

I know how painful it must be to your people to see the beginning of the decline of your prosperity; to witness the departure of the skilled workmen from your shores to plant new industries in America; to see year by year the continued increase of the balance of trade against you, which in time will, if it does not now, exhaust your incomes, and must then be met and satisfied out of your capital; to know that you cannot raise sufficient to feed your own people, and that hundreds of millions of dollars are yearly required to give them food; to be conscious that gradually, little by little, your coal-fields and beds of iron ore are becoming exhausted, and that the end will surely come. Yet would it not be better to contemplate these facts philosophically and accept the inevitable, and begin to learn the lesson which sooner or later you must learn, that the march of empire in trade, as well as power and civilization, is westward?

Very respectfully,

Your obedient servant,

THOMAS H. DUDLEY.

**RETURN TO** ⟶ **CIRCULATION DEPARTMENT**
202 Main Library

| | | |
|---|---|---|
| LOAN PERIOD 1<br>**HOME USE** | 2 | 3 |
| 4 | 5 | 6 |

**ALL BOOKS MAY BE RECALLED AFTER 7 DAYS**

**Renewals and Recharges may be made 4 days prior to the due date.**

**Books may be Renewed by calling 642-3405**

## DUE AS STAMPED BELOW

| | | |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

UNIVERSITY OF CALIFORNIA, BERKELEY
BERKELEY, CA 94720

FORM NO. DD6

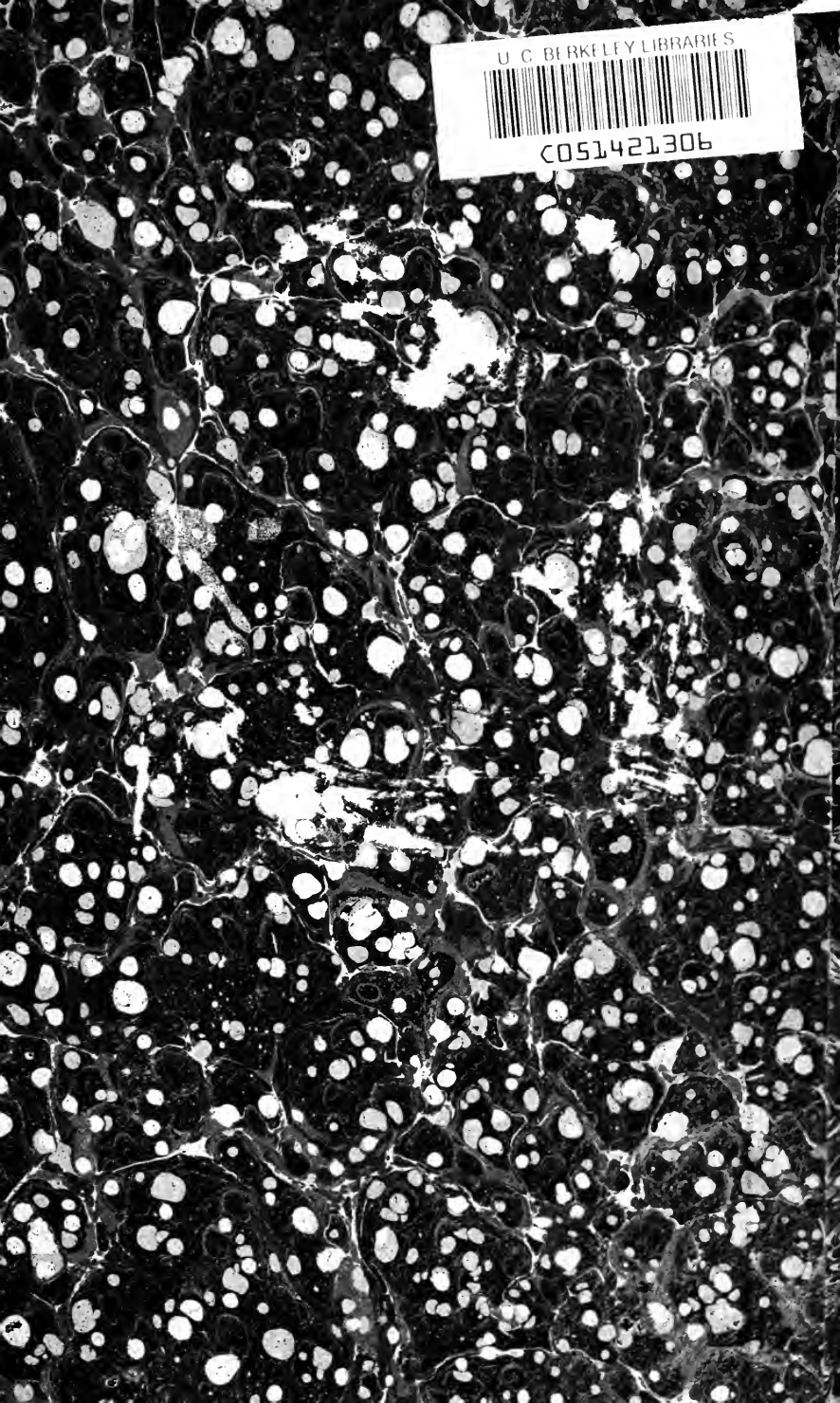
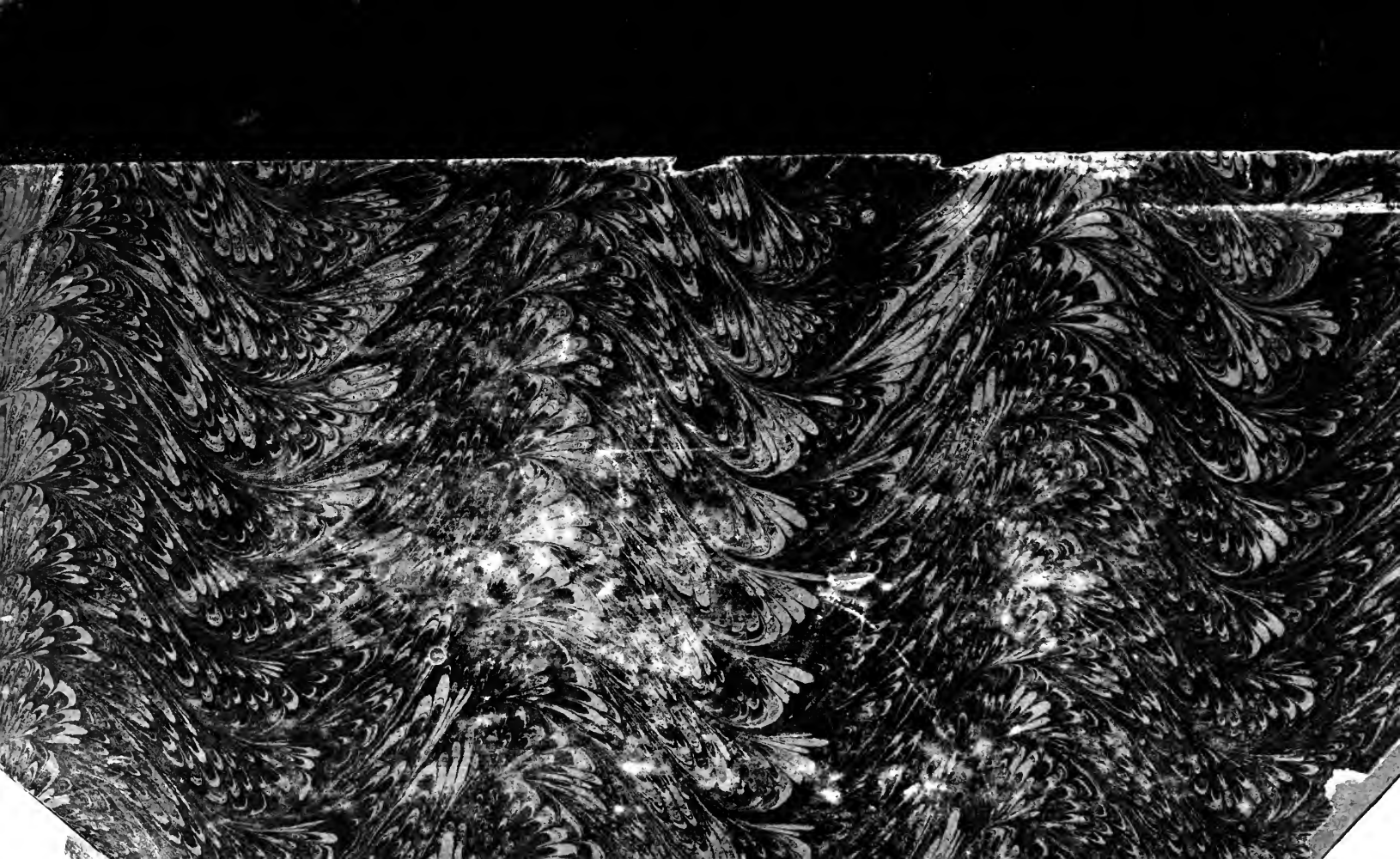
APR 12 1972 REC. CIR. MAY

LIBRARY USE MAY

LIBRARY USE MAY

LD 21A-45m-9,'67
(H5067s10)476B

General Library
University of California
Berkeley


U. C. BERKELEY LIBRARIES
C051421306